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# **China, Peoples Republic of**

## **Market Development Reports**

### **Retail Labeling Law Enforcement**

### **2003**

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#### **Report Highlights:**

Shanghai inspection officials have reiterated the requirement that food importers obtain the national State Administration for Entry-Exit Inspection and Quarantine "Certificate of Import-Export Food Labeling" prior to the product entering China. Packaged food intended for direct sale must comply with China's General Standard for the Labeling of Food. Although the Standard was promulgated in 1994, labeling requirements have been relaxed during an extended transitional period that is expected to finally come to an end March 1, 2003. For new to market products, importers and American exporters are advised to submit label applications to the CIQ office of the appropriate port of entry as soon as possible.

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Includes PSD changes: No  
Includes Trade Matrix: No  
Unscheduled Report

## Summary

In recent weeks, a number of food importers and distributors in Shanghai have expressed concern over rumored adjustments in China's labeling requirements for imported packaged food products. Since the February 4, 1994 promulgation of China's General Standard for the Labeling of Food (GB7718-94) and subsequent Management Regulations, there have been several extensions to full implementation and enforcement of the Standard's provisions for imported food products. The Standard applies to packaged food and beverage products that are to be sold directly to consumers.

Based on discussions with the local trade and Shanghai-based regulatory officials, it appears that the provisional entry of imported packaged food products prior to the final issuance by the national State Administration for Entry-Exit Inspection and Quarantine (AQSIQ) of the "Certificate of Import-Export Food Labeling" will end. The provisional entry, based on the application for the Certificate and its preliminary review by local quarantine and inspection authorities (CIQ), officially ended in November, 2002, but it is believed that some new products continued to enter after that date. Several sources cite March 1, 2003 as the date when full enforcement will take place. In practical terms, this means that importers of food products without the AQSIQ Certificate must now have the Certificate in hand before the product can enter China. **Importers and U.S. exporters who intend to introduce new food products to China, or whose products are in China under a provisional approval, are advised to obtain the final Certificate as soon as possible to facilitate product entry.**

China's General Standard for the Labeling of Food governs labeling for all food items for sale in China's domestic market. The subsequent "Import-Export Food Labeling Management Regulation - Decree Number 19", which became effective on April 1, 2000, describes the administrative provisions and regulatory authorities responsible for all imported or exported foods labels. The transition period for the Decree 19 Management Regulation was scheduled to end last November, 2002.

The General Standard permits labels that include English or other foreign languages, but stipulates that the specified required content be printed in standard (simplified) Chinese characters as well. For the required content, other languages printed on the label may be no larger than the corresponding Chinese characters. Elements which must be included on the Chinese language labels of imported packaged foods include:

- C name of the food
- C ingredient list
- C net contents of the package
- C country of origin
- C name and address of Chinese-registered general distributor
- C date of production
- C quality guarantee period and/or storage period

**Additional Information**

For additional information about exporting to China, please refer to the ATO Shanghai web page (<http://www.atoshanghai.org>) and download a copy of the **Exporter Guide** and **Business Travel in China**. For up-to-date information about labeling laws and importation regulations, please see the **FAIRS** report. Specifically, reports CH1043 and CH1044 cover the Food Labeling Standard and Food Labeling Management Regulation, respectively.

**Contact Information for Shanghai**

**Shanghai Customs of The People's Republic of China** – Responsible for the regulations and inspections on import and export documents and certificates

13 Zhong Shan Dong Yi Lu  
Shanghai 200002  
Tel: 86-21-63232410  
Fax: 86-21-63232095  
Website: <http://www.shcus.gov.cn>

**Shanghai Entry-Exit Inspection and Quarantine Bureau of The People's Republic of China (CIQ)** - Responsible for the inspection of imported and exported goods and have statutory authority over the inspection of food labels.

1208 Minsheng Road, Pudong New Area  
Shanghai 200135  
Tel: 86-21-68563030  
Fax: 86-21-68565939  
Website: <http://www.shciq.gov.cn>

**Shanghai Bureau of Technical Supervision, Division of Standards** – Also responsible for the application and approval of labels for imported foods.

Telephone: +(8621) 5404 5500  
Fax: +(8621) 6469 3575

**Shanghai Imported Food Enterprise Association (SIFEA)** – An industry association representing food import companies. Their services include facilitating the food label application process.

Room 1702, Hero Building  
2669 Xie Tu Road  
Shanghai 200030  
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**' The remainder of this report provides additional details on China's food labeling requirements and is based on a 1996 report from ATO Shanghai.**

### ***SCOPE OF CHINA'S FOOD LABELING LAW***

China's food labeling law applies to packaged food and beverage products to be sold directly to consumers in China, including frozen products, prepacked meats, special nutrient foods (such as infant formula), and alcoholic beverages. The law does not apply to bulk food items, fresh fruits and vegetables, and pharmaceutical foods and tonics.

The packaged food labeling standards currently apply only to labels on "delivery units" -- packages intended for retail sale. Shipping units (such as cases), and packaged foods sold for institutional use are beyond the scope of the labeling standards.

Labels on consumption units (smaller portion packs within a retail delivery unit) also are not required to comply with the new Chinese labeling law. However, since it is not uncommon for Chinese food retailers to open delivery units and sell portion packs individually, labels on retail delivery units containing portion packs should probably indicate in Chinese that the smaller packages on the inside are not intended for retail sale. U.S. food exporters who find retailers regularly portioning their delivery units may wish to rethink their packaging strategy. Smaller units for retail sale with Chinese labels targeting single-portion purchasers may be a good option to consider.

Packaged foods can be imported for re-packing or labeling in China only if accompanied by a written statement indicating that they are not yet intended for retail sale. The name and address of the company responsible for re-packing and/or labeling also must be provided before the food will be allowed to enter China. In addition, the name and address of that company must be indicated on the retail label ultimately used. These procedures aim to hold the appropriate local company accountable when consumer protection issues arise.

### ***FOOD LABEL REQUIREMENTS IN CHINA***

The basic requirements for Chinese food labels and their display are logical and fairly straightforward. Labels must be firmly attached (in the case of bottled products) or printed on the food packaging container. Additionally, the required elements of the label must remain easily identifiable and readable at the time of purchase and at the time of consumption. All representations on food labels must be clear and concise, and all words and graphics should intuitively reflect the product itself.

The food name must be distinctly placed on the main layout of the label. Net contents must be printed on the same panel as the food name. Beyond this, there are no other fixed requirements regarding the layout of the label.

The fundamental elements of the label must be printed in standard (simplified) Chinese characters.

Except for trademarks already registered in China, no other part of the label can use the complex traditional form of Chinese characters. Foreign and ethnic languages (including Chinese *Pinyin* -- phonetic spelling of Chinese with Roman characters) may be used simultaneously as long as they are not larger than the corresponding Chinese characters. The text of second languages must be closely related to the Chinese text.

The Chinese government is particularly concerned with protecting consumers' rights and interests as its citizens learn to make decisions in a more fully-integrated market environment. Thus the food labeling standards are strictly opposed to misleading label information which might influence purchase decisions of unsuspecting Chinese consumers. For example, label imitation, deceptive illustrations, exaggerated or false content, and claims of health or curative effects are strictly prohibited under the Chinese Law of Unjust Competition, the Law on the Protection of Consumer's Rights and Interests, the Law of Food Hygiene, and the Hygienic Regulations for the Prohibition of Adding Medicine to Food. This policy is reaffirmed in the implementation guidelines for the new food labeling standards. Similar restrictions are also demonstrated in Chinese advertising laws.

### ***CONTENTS ON FOOD LABELS IN CHINA***

For food processors accustomed to complying with the extensive labeling and nutrition information standards imposed by U.S. law, other than translation into Chinese, the content now required on packaged food labels under Chinese law should pose no significant difficulty. For a list of mandatory label contents by food categories, consult with your importer or contact the appropriate Agricultural Trade Office. The fundamental elements which must be provided in Chinese characters are described below:

#### ***Name of the Food --***

In addition to any brand name shown, the name of the food contained in the package must be indicated on a noticeable position on the label. The food name is a statement which identifies the product's intrinsic properties or essential characteristics, including its form (i.e. whole or halves, sliced or shredded) or type (i.e. carbonated or uncarbonated, cola or lemon-lime). If a state or trade standard exists, the food name specified should be used. If no standards exist, the label should indicate the common or usual name of the food. Innovative foods (product lines not previously marketed) may be named descriptively, but must not be misleading or confusing.

#### ***Ingredients --***

A clearly-marked ingredients list or table must be provided for all packaged foods, except those comprising a single component made from a single raw material without any supplementary or additive agents. All ingredients (including water) must be listed in detail in descending order of predominance. Ingredient names must be used according to their state or trade standard specified name, or alternatively their common or usual name.

Complex ingredients comprising more than 25% of the total amount of food must be broken down to indicate their original components (in parentheses following the name of the complex ingredient, in decreasing order). When ingredient mixes have a designated name in the State or Trade standards and

comprise less than 25% of the total amount of food, it is not necessary to list sub-components other than food additives. The primary ingredients of “Mixed Powders of Five or more Spices” (i.e. hot spice mix, curry powder) must be included in the ingredient table regardless of whether they comprise 25% or more of the total product. Food additives in the ingredient mix also must be included in the ingredient list in all cases.

#### *Net Contents of the Package --*

The net contents of food contained in the package must be marked on the label: liquid foods by volume, solid foods by mass, and semi-solid foods by mass or volume. When a container holds both solid and liquid food, the mass or percent of solids must additionally be indicated on the label. Labels on packages containing multiple pieces should indicate the number of pieces, and where applicable the volume of smaller packages contained within the delivery unit. Measurements must use the Chinese legal measurements (metric) and standard abbreviations.

#### *Source of the Food --*

Labels on imported packaged foods must clearly mark the country of origin. They must also provide the name and address of the Chinese-registered general distributor (or the name and address of any unit responsible for re-packaging and/or labeling). If multiple Chinese general distributors are used, exporters may want to list their primary one, or alternatively stamp the appropriate name and address on packages intended for each distributor.

Labels on domestic packaged foods are required to provide the name and address of the manufacturer as well, but this is not mandatory for imported packaged foods.

#### *Date of Production --*

All packaged foods indicate the date the food was actually packaged as the production date. If the production date is printed or stamped at the bottom of the package or elsewhere on the product, the label should instruct consumers where the production date is located. Date markings should be made in full digital date expression, in the sequence of year, month, and day. For example, the acceptable forms for January 31, 2003 are: “2003-01-31”, “2003 01 31”, or “20030131”.

#### *Quality Guarantee Period and/or Storage Period --*

Either the quality guarantee period or the storage period, or both, must be marked on packaged food labels. If the quality guarantee period or storage period is dependent upon storage conditions, the appropriate storage methods must be clearly indicated on the label. Packaged foods whose state or trade standard storage period is longer than 18 months may omit these items.

The quality guarantee period is the time for which the food can be maintained in conformity with the quality standards or claims stipulated on the label. However, food may still be safely consumed within a given length of time beyond the quality guarantee period. Thus the quality guarantee period is the “Best By...” period. The quality guarantee period should be marked with the ending date provided, or alternatively indicate the number of months of guaranteed quality from the date of production.

The storage period is the time for which the food may be safely consumed subject to conditions stipulated on the label. It is the “Consume By” period. The storage period also should be marked with

the ending date provided, or alternatively indicate the number of months for safe storage/consumption from the date of production.

*Other Required Elements --*

Labels on packaged foods processed with ionized energy sources must be marked “Food processed in radioactivity” near the food name, and any irradiated ingredients must be identified near the ingredients list.

*Optional Elements: Product Standard Coding and Quality Rating --*

Labels on packaged food produced in China (including food produced by joint ventures in China) must include the food’s product standard code and serial number as specified in the corresponding state or trade standard. Domestic packaged foods whose state or trade standards specify quality ratings must have the rating marked on the label as well. Labels on imported foods are not required to include the product standard coding or the Chinese quality ratings. If foreign manufacturers choose to use Chinese quality ratings, the corresponding Chinese standard must be correctly referenced on the packaged food label.

*Exceptions for Small Packages*

Labels on food packages with less than 10 cm<sup>2</sup> surface area need only include the food name, net contents, and spices or additives used. Labels on consumption units (individual portion packs within a retail delivery unit) are not required to meet any Chinese labeling standards.

*Recommended Content*

The “*General Standard for the Labeling of Food*” also lists three items as recommended content on packaged food labels:

- 1) production batch number (expressed plainly or as part of the bar code);
- 2) container opening and food preparation instructions; and
- 3) caloric and nutrient content of the food.